

EXHIBIT 'C'

Term Sheet for the Acquisition of Assets of Ridgewood Corporation

Sovereign Bank, a federal savings bank ("Sovereign") proposes to purchase substantially all of the assets of Ridgewood Corporation ("Ridgewood" or the "Debtor") at a Sale Hearing pursuant to 11 U.S.C. § 363, scheduled to be heard in the pending Chapter 11 Case of Ridgewood on or about July 14, 2010 before the Honorable Rosemary Gambardella, U.S.B.J. at the United States Bankruptcy Court, M.L. King Jr. Federal; Bldg. & Courthouse, 50 Walnut Street, 3rd floor, Newark, New Jersey, Courtroom E Sovereign's offer to purchase the assets is on the terms and conditions set forth herein:

1. Price: \$3,050,000 pursuant to § 363 (k) of the Bankruptcy Code, which amount is to be subtracted from the secured claims of Sovereign. (The principal balance of Sovereign's secured claim as of June 21, 2010 was in the amount of \$5,522,589.11, excluding attorneys fees and costs. In the event the Bankruptcy Court approves the proposed Sovereign DIP Financing, the principal balance of Sovereign's secured claim is expected to increase by approximately \$1 million prior to closing the sale of Ridgewood's assets.)

2. Included Assets: As defined in the Uniform Commercial Code, all inventory; all equipment (including without limitation all machinery, racks and shelving at all of the Debtor's 13 operating locations); all accounts receivable and other accounts of the Debtor, and the following specific general intangibles: customer lists, Debtor's phone numbers for all locations, Debtor's e-mail addresses for all locations, the domain name www.ridgewoodcorp.com, website(s), the name "Ridgewood Corporation" and all derivatives or similar names used by the Debtor, all sales, customer and inventory data, as well as Debtor's real property and all buildings and improvements erected thereon, including all fixtures located in Tenafly, New Jersey commonly known as 44 Franklin Street (the "Tenafly Property"); and the designation rights to the following leases: Mahwah, New Jersey, Clinton, New Jersey, Westwood, New Jersey, Harriman, New Jersey, Parsippany, New Jersey, Middletown, New York, Newburgh, New York, Kingston, New York, Ivyland, Pennsylvania, Voorhees, New Jersey, Hackensack, New Jersey, Mine Hill, New Jersey, Hawthorne, New Jersey and Lakewood, New Jersey (the Designation Rights"). Prior to the closing, Sovereign may exclude from its purchase any asset that would otherwise be an Included Asset provided that any such exclusion shall not affect the Price.

3. Excluded Assets. Specifically excluded are any and all executory contracts; excluding the Designation Rights for the above-referenced leases.

4. Allocation of Purchase Price: \$750,000 for the Tenafly Property, \$300,000 for the Designation Rights, and \$2 million for all of the remaining Included Assets. The offer by Sovereign for the remaining Included Assets is subject to it being the successful bidder for the Designation Rights.

5. Excluded Liabilities. All liabilities and obligations of Ridgewood of any kind or nature except the Assumed Liabilities.

6. "As Is; Where Is". The assets shall be sold in an "As Is, Where Is" condition with

no representations or warranties, including but not limited to those that relate to value, fitness for a particular purpose, quantities, merchantability or the like.

7. Title The assets shall be sold free and clear of all liens, claims, and encumbrances, but subject to Sovereign's rights under various landlords release and waiver agreements with regard to leased premises where assets may be located, with Sovereign's lien to attach to the proceeds and the proceeds to be remitted to Sovereign if Sovereign is not the successful bidder.

8. Conditions to Closing. Debtor shall have obtained, on or before July 15, 2010 an Order of the Bankruptcy Court in Debtor's Chapter 11 Case approving the sale to Sovereign. Time being of the essence.